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DEPARTMENT OF STATE

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BRIEFING MEMORANDUM

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DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY [illegible] DATE 2/26/81
PORTIONS DENIED AS INDICATED

March 1, 1979

TO: The Secretary

THROUGH: M - Ben H. Read
C - Matthew Nimetz

FROM: L - Lee R. Marks

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Jonestown Update

This will bring you current on several Jonestown issues: USG funding, disposition of the remains, and reimbursement from the Peoples Temple.

Funding

Several weeks ago OMB decided that most Jonestown related expenses would be funded under section 531 of the Foreign Assistance Act, using Contingency Fund appropriations and, to the extent these were insufficient, Economic Support Fund appropriations.

Subsequently, we were told by Senate Foreign Relations Committee staff that Senator Church intended to send you a letter challenging this use of AID funds and asking you to withhold funding pending a GAO investigation. I spoke with [redacted] about the letter. [redacted] have agreed that in lieu of the Church letter, they would accept Committee report language noting that the Guyana payment had been made, that it was unprecedented and extraordinary, and that it did not constitute a precedent for casual resort to the AID funds. AID is drafting this language. We have agreed to withhold funding until they and we agree on the language.

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[redacted]

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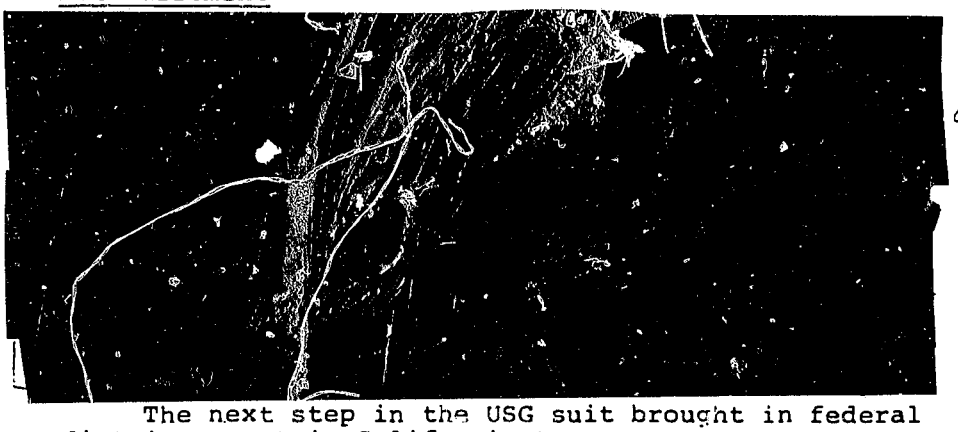
Meanwhile, piqued at the delay, DOD sent the bills for Jonestown expenses to the Department -- but has said they will take them back once they get a fund cite.

Disposition of the Remains

The California Superior Court held a hearing on Monday, February 26, to review the Emergency Relief Committee's (ERC) plan for disposing of the remains. The California Attorney General's office opposed transporting unidentified bodies to California on the grounds that they had no connection with that state. The judge asked for further information; CA is providing a memo indicated that 227 out of the 253 unidentified bodies have a nexus with California.

There may not be enough liquid Peoples Temple (PT) assets to defray the costs of transportation and disposition, but the court-appointed receiver is attempting to obtain a commercial loan to fund the ERC plan. The court is expected to issue a final ruling on the ERC plan early next week. CA and DOJ representatives at the California hearing anticipate a favorable ruling. If this holds up, it will solve a problem that we have been wrestling with for weeks.

Reimbursement



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The next step in the USG suit brought in federal district court in California to recoup our expenses will be the filing of an answer to our complaint -- probably in mid-April.

cc: Robert J. Lipshutz, Esq.
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